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**FISCAL IMPACT STATEMENT**

**LS 7852**

**BILL NUMBER:** HB 1010

**NOTE PREPARED:** Apr 29, 2003

**BILL AMENDED:** Apr 26, 2003

**SUBJECT:** Transportation and Planning Commissions.

**FIRST AUTHOR:** Rep. Pelath

**FIRST SPONSOR:** Sen. Rogers

**BILL STATUS:** Enrolled

**FUNDS AFFECTED:**    **GENERAL**  
                          **X DEDICATED**  
                          **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** (CCR Amended) This bill requires that all area plan commissions use the same process when appointing an executive director. It reduces, from 20% to 10%, the ten-year population percentage loss that is one of the criteria for the establishment of an airport development zone in certain cities.

The bill expands the types of studies that may be funded from the Indiana Port Fund to include studies of transportation by water, intermodal transportation, and other modes of transportation. It authorizes transfers from the Indiana Port Fund for the purposes of IC 14-13-2.

This bill repeals and replaces the law governing the Northwestern Indiana Regional Planning Commission (NIRPC) as a coordinating agency in Lake, Porter, and LaPorte counties. It establishes the purpose, powers, and duties of NIRPC, and it establishes the funding and budgeting mechanisms for the Commission. The bill also authorizes an alternative weighted voting system for NIRPC until June 30, 2007.

**Effective Date:** July 1, 2003.

**Explanation of State Expenditures:** *Indiana Port Fund:* Under current law, expenditures from this fund may be made (1) to acquire land and (2) for studies in connection with the port project. This provision would also allow expenditures to be made for studies in connection with water, intermodal, and other types of transportation. In addition, the bill also allows transfers from the fund to the Little Calumet River Project Development Fund. The bill expands the use of the existing fund but does not make an appropriation.

*NIRPC:* PTRC and Homestead credit expenses would not be affected by this provision.

### **Explanation of State Revenues:**

**Explanation of Local Expenditures:** *NIRPC Responsibilities:* The responsibilities and authority of the new NIRPC established under this bill are basically the same as they are for the current NIRPC with the following changes:

- 1) The Commission would be required to institute and maintain a comprehensive planning and program process for transportation, economic development, and environmental policy. The Commission would coordinate its activities with all of the member units in the member counties.
- 2) The Commission would be permitted to enter into coordinative arrangements with a minority business enterprise.
- 3) The Commission's advisory committee must include members who represent higher education, minority business enterprise, labor/workforce organizations, and manufacturing entities.

*Membership:* The membership of the new Commission would consist of 51 members including the following:

- One member from each county executive;
- One member from each county fiscal body;
- Each county surveyor;
- One member from each municipality in Lake, LaPorte, and Porter Counties; and
- One non-voting member, appointed by the Governor.

The bill would require that each member of the Commission would have to be an elected official.

*Voting:* The bill would allow the votes of the Commission members to be counted in two ways. The default method would be to count each member's vote on an equal basis. An affirmative vote of at least 26 members would be required to approve a measure.

Alternatively, a weighted voting system would be used on the motion of any one member, with the second of another member. The weights would be based on population. The members representing the county executive and the county fiscal body would share equally the percentage of the votes apportioned to the population in the unincorporated areas of the county. The county surveyor would have no vote. An affirmative vote of more than 50% of the weighted votes would be required to approve a measure. The weighted system could not be used after June 30, 2007. The following table summarizes the total number of members and total percentage of votes under the two voting methods by county.

	Current Law		Proposed (Non-Weighted)		Proposed (Weighted)	
County	Members	Voting %	Members	Voting %	Members	Voting %
Lake	17	42.5%	22	44.0%	22	65.3%
LaPorte	11	27.5%	14	28.0%	14	14.9%
Porter	11	27.5%	14	28.0%	14	19.8%
Gov. Appt.	1	2.5%	1	0%	1	0%
<b>Total</b>	<b>40</b>	<b>100%</b>	<b>51</b>	<b>100%</b>	<b>51</b>	<b>100%</b>

**Explanation of Local Revenues:** *NIRPC:* The budgeting process and tax levy apportionment and tax rate

limitations are also the same as the current commission. The gross levies are estimated at \$339,195 in Lake County, \$77,074 in LaPorte County, and \$102,759 in Porter County, for a total of \$519,028. These levies would be subject to current maximum levy limitations. The bill would not change the levy authority for any county.

*Airport Development Zones:* Under current law, the Gary Airport Authority may designate an area as an airport development zone if the Commission finds by resolution, among other things, that Gary's population has decreased by at least 20% since the last Census. This bill would change the population requirement to a 10% reduction. According to the Census, Gary's population was 151,968 in 1980. The 1990 population was 116,646, a 23.2% decline. The 2000 Census showed a population of 102,746, an 11.9% reduction from 1990. This provision would allow the Gary Airport Authority to continue to designate airport development zones.

Designation as an airport development zone allows the airport authority to capture property taxes in a TIF-like manner and use the proceeds to pay for training and for debt service and leases on qualified airport development projects.

**State Agencies Affected:** Indiana Port Commission.

**Local Agencies Affected:** Lake, LaPorte, and Porter Counties and all municipalities within those counties; Gary Airport Authority.

**Information Sources:** U.S. Bureau of the Census.

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